Community Planning and Economic Development Planning Division Report Land Subdivision Regulations Text Amendment

Date: October 28, 2013

Initiator of Amendment: Council President Johnson and Council Member Goodman

Date of Introduction at City Council: October 4, 2013

Specific Site: City wide

Ward: All Neighborhood Organization: All

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Intent of the Ordinance: To update and implement a park land dedication requirement or park dedication fees in lieu of dedication on new residential, commercial and industrial developments

Appropriate Section(s) of the Municipal Code: Title 22, Chapter 598, Land Subdivision Regulations

Background: City staff has prepared updated text language to the adopted Parkland Dedication ordinance for City Council consideration. The ordinance is authored by Council President Barbara Johnson and Council Member Goodman. It would require developers to either dedicate land within or near their development site for public open space or in lieu thereof to pay a Park Dedication Fee (PDF).

The City of Minneapolis has not previously had a parkland dedication requirement because statutory authorization tied such dedications to platting and sub-division and, as a built-out city; those procedures are relatively rare in Minneapolis. Special legislation approved in 2006 and 2008 opened the door to the City and MPRB cooperating to approve an ordinance that also can require park dedication for projects outside a platting or subdivision process. In addition, special legislation approved in 2013 clarified that the City can charge the fee in lieu on construction permits as well as charge a flat rate (\$1,500) per new residential unit. Pursuant to the legislative enabling authority, the identical ordinance must be adopted by the City Council and the Minneapolis Park and Recreation Board (MPRB).

With the approval of the most recent special legislation, the MPRB and City have been working since June 2013 to revise the adopted ordinance that is mutually acceptable. The MPRB approved its initial version of the ordinance in July 2007. After Council-directed research in 2008, the City Council approved an initial version of the ordinance in April 2009. MPRB then approved a similar but not identical ordinance in July 2009. After City and Park Board staff worked together to resolve differences in their respective adopted ordinances, MPRB adopted their current ordinance on July 7, 2010 and City Council adopted their current ordinance on September 24, 2010.

Due to lack of clarity in approved state legislation, the adopted ordinances have not been implemented. The City and Park Board proposed language to clarify state law in the 2011 legislative session but no final action was taken by the State Legislature. Again, the City and Park Board

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proposed new special law text during the 2012-2013 legislative session and the language was approved by the Legislature in May 2013.

Statutory or special law clarifications most recently approved by the Legislature include:

- Statutory language regarding land dedication to include the meaning of "fair market value" as the value of land as determined by the municipality annually based on tax valuation of other relevant data.
- Land dedication or fee in lieu of dedication can be imposed in conjunction with construction permits.
- Cash fee may be set at a flat fee rate per net new residential units.
- Set the effective date of these changes as no sooner than January 1, 2014.

The proposed text amendment to the City's Land Subdivision Regulations is necessary to ensure consistency between state law and local ordinance and to implement the parkland dedication ordinance.

Purpose for the Amendment:

What is the reason for the amendment? What problem is the Amendment designed to solve? What public purpose will be served by the amendment?

This ordinance is intended to address a shortage of funds available to acquire and develop park facilities to meet future needs driven by population and employment growth.

Most recent population and employment projections from the Metropolitan Council indicates that by the year 2040, forty-six thousand three hundred sixty (46,360) new households will be added to the city creating a demand for an additional four hundred sixty-four (464) acres of neighborhood and community parkland with net new job growth of one hundred thirty-seven thousand three hundred sixty-eight (137,368) creating an additional need for three hundred eleven (311) acres of parkland.

Consideration and adoption of a Park Dedication Ordinance would be consistent with the City's goal of providing an enriched environment as well as a healthy, sustainable environment. From the City's list of goals, this ordinance would most closely support the following goal:

ENRICHED ENVIRONMENT Greenspace, Arts, Sustainability

In five years there will be plentiful green spaces, public gathering areas, celebrated historic architectural features and urban forests in Minneapolis; lakes, rivers and the soil and air will be clean; the city's parks and the Mississippi riverfront will be valued and utilized; opportunities to experience diverse cultures and the arts will abound; and usage of renewable energy will be increasing.

MPRB historically has developed neighborhood parks to be accessible from a six block radius and community parks generally serve a broader population within approximately a mile or two mile

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radius. Their comprehensive plan lists the priority order in which land would be considered for acquisition (dedication):

Fulfills park needs for growing areas or implements adopted park plans
Meets the needs of areas underserved due to poor access or insufficient parkland
acreage per household
Provides trail connections or natural areas
Establishes clear park boundaries
Eliminates easements and leases
Promotes ecological function
Secures unique sites or facilities

What problems might the amendment create?

a. Upon enactment of the PDF, many projects may rush to submit (complete) applications before the end of the calendar year in order to avoid land dedication or (more likely) fee in lieu of dedication. This would put additional pressure on staff to make completeness determinations on all submittals by end of business on December 31, 2013.

Timeliness:

Is the amendment timely? Is the amendment consistent with practices in surrounding areas? Are there consequences in denying this amendment?

The MPRB approved this ordinance for submittal to the City on June 16, 2010 and gave final approval to the ordinance on July 7, 2010. The City Council adopted this ordinance on September 24, 2010. If adopted, the update to the ordinance would be effective January 1, 2014. Since both the MPRB and City must adopt an identical ordinance before it can go into effect, the amendment is timely.

As part of the background work in preparing the various versions of the adopted ordinance, previous City staff consulted with City staff of St. Paul, reviewed Minnesota Park and Recreation Association surveys on park dedication of Minnesota communities, reviewed park consultant surveys and reviewed a number of park dedication ordinances from around the country. Previous staff direction from City Council was to look at park needs and funding requirements while proposing a dedication requirement or park dedication fees which would not place the City at either the highest or the lowest rates of similar local communities. The adopted ordinance and this updated text language is similar to surrounding communities' requirements and meets Council directive.

The proposed ordinance seeks to add a source of funding to create and develop new park space to meet the demands projected by population and employment growth. Forecast growth indicates a need for an additional 464 acres of parkland to meet growing park needs for residential use alone. If this amendment is denied, it reduces the city's and MPRB's abilities to meet projected needs.

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

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Comprehensive Plan: Consideration and approval of a PDF ordinance is consistent with the City's Comprehensive Plan and may be a necessary tool to implement desired policies. The following policies would be supported by adoption of a PDF ordinance.

- Policy 7.1: Promote the physical and mental health of residents and visitors by recognizing that outdoor amenities and spaces that support exercise, play, relaxation and socializing.
- Policy 7.3: Maintain and improve the accessibility of open spaces and parks to all residents.
- Policy 7.4: Work to restore and preserve ecosystem functions in green open space areas.
- Policy 7.6: Continue to beautify open spaces through well designed landscaping that complements and improves the City's urban form on many scales from street trees to expansive views of lakes and rivers.
- Policy 7.7: Support the expansion and maintenance of open spaces and parks in order to increase economic development and to promote tourism.
- Policy 7.9: Work to develop high quality open spaces in Downtown.

Recommendation from the Department of Community Planning and Economic Development:

The Department of Community Planning and Economic Development recommends that the City Planning Commission and City Council adopt the findings and <u>approve</u> the land subdivision regulations text amendment. The Department of Community Planning and Economic Development further recommends that the City Planning Commission refer this text amendment to City Council Committee of the Whole.

Attachments:

1. Ordinance amending Chapter 598